

AGENDA ITEM V

PROPOSED NEW ACADEMIC PROGRAM

SOUTHERN UNIVERSITY AND A&M COLLEGE

MASTER OF BUSINESS ADMINISTRATION

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BACKGROUND INFORMATION

The 1994 Desegregation Settlement Agreement called for the establishment of a Master of Science program in International Business at Southern University and A&M College (SUBR). In 2003, SUBR requested of affected parties to the Agreement and the Settlement Monitoring Committee a program change to a Master of Business Administration program in Electronic-Business; the request was granted and a Letter of Intent approved in May 2003. The subsequent full proposal was submitted to the Board of Regents in 2004. In response to staff concerns regarding the apparent demise of graduate programs in Electronic Business across the country, SUBR asked for permission to offer instead a more comprehensive Master of Business Administration (MBA). Again, affected parties and the Monitoring Committee were consulted and agreed to the second change. The institution then submitted a revised proposal for a Master of Business Administration with four options in February 2005.

In consultation with SUBR and SU System officials, the staff engaged an external review committee (ERC) to conduct an assessment of the MBA proposal. The team included Dr. Ken Evans, Associate Dean and Walker Professor in Teaching Excellence and Professor of Marketing, the University of Missouri at Columbia; Dr. Otis Thomas, Dean, School of Business and Management, Morgan State University, Baltimore, MD; and Dr. Bruce Hartmann, Professor and Chair, Economics and Finance, Tennessee State University, Nashville, TN. On July 19, 2005, the ERC visited SUBR for an on-site visit and review. At the conclusion of the visit, the ERC strongly recommended that SUBR re-conceptualize its proposed MBA program as a generic degree with limited concentration areas. A revised proposal addressing ERC concerns was received October 11, 2005 and was immediately sent to the ERC team for evaluation. On November 16, 2005, the ERC submitted its assessment, which was immediately sent to SUBR for response.

GENERAL PROGRAM DESCRIPTION

The thirty-nine hour program, designed for full- or part-time students, includes a twenty-one hour MBA core plus electives in one of the following areas:

- E-Business and Supply Chain Management
- Small Business Management and Entrepreneurship
- International Business and Trade

The staff observes that, if approved, this will become the only graduate program in the College of Business at SUBR.

STAFF SUMMARY

The staff summary which follows presents points made in the ERC report. Responses from the institution follow in italics.

RECOMMENDATIONS OF THE EXTERNAL REVIEW COMMITTEE

STUDENT ISSUES

Report:

- 1. The minimum GMAT (Graduate Management Admission Test) score for admission into the program needs to be at least 400 (preferably 450). This will require a modification in the admission model requiring a minimum total score of 1075 (for a GMAT of 400) or 1125 (for a minimum GMAT score of 450).**

Response:

GMAT is one measure that can be used to evaluate students. Based upon information obtained from the GMAT website, a better measure is the use of a broad range of indices. SUBR would like to utilize multiple criteria, including GPA, GMAT score, work experience, written essay, references, and interviews with an admissions committee.

SUBR does not propose any minimum GMAT score requirement. The admission requirements for the proposed MBA Program at Southern University, Baton Rouge are revised as follows:

Admission is based on a broad range of criteria, and no particular level of academic performance or test scores will guarantee acceptance or ensure rejection. Before the MBA Graduate Advisory Committee can evaluate an application for admission, the applicant's file must include the following:

- Satisfaction of all general requirements of the University
- Completed application form
- Satisfactory official GMAT score
- Satisfactory official TOEFL score for all international students
- Official transcripts for all academic work completed at each college or university attended.
- Demonstrate a high promise of success for postgraduate business study as demonstrated by GPA, work experience, references, interview with Graduate Advisory Committee and other indicators.

Report:

2. **Some type of probation policy needs to be articulated for those students whose GPA fall below 3.0.**

Response:

This is governed by the rules in the graduate school. SUBR will review the process. As is written in the proposal, a student cannot have more than two grades at or below a letter grade of “C”. Thus, a student who earns a grade of “C” or below will be asked to have a review session with the program director.

Report:

3. **[The ERC] suggests that the authors of the proposal rethink the matriculation rates for full-and part-time students. They appear a bit aggressive. If they can be defended, then the authors need to do a better job of making the case. If the matriculation rates cannot be defended, then it would be inappropriate to advertise a rate of completion that is not indicative of the reality of the student’s experience.**

Response:

As there was confusion as to whether the recommendation related to the rate at which students matriculate with regard to speed or number of graduates, the institution addressed both issues. The pace at which students proceed through the curriculum will be determined by whether they are full- or part-time. Projections in the proposal assumed a twenty percent dropout rate after the first year and a fifty percent graduation rate after two years. It is reasonable to assume that students will take six hours each semester, including summers. Survey information indicated that fifty-two percent of the respondents would take six hours per semester, while ninety-one percent would take six hours or more each semester, with thirty nine percent wanting nine hours or more. Based upon these figures, the projections are conservative.

Two sets of projected student numbers were provided in the revised proposal. [A ratio of] twenty part-time students [were factored as 10 FTE] in the low projections with fifteen full-time students [15 FTE] reflected in the more moderate budget projections. SUBR has no intentions of advertising projected graduation rates.

Report:

4. **Some attention to placement (career) services needs to be incorporated into the proposal. A line item for promotion should be included in the budget.**

Response:

Development of a placement process for MBA graduates will be a high priority for the program. Major recruiters and alumni will be contacted for support in this area. The Advisory Board will be a major asset in this endeavor.

This item can be accommodated in the submitted budget, beginning in the second year of the program. \$15,000 is included for faculty development (SAP and research) and \$15,000 for travel,

which is for the director for developing MBA program administrative needs.

CURRICULAR CONCERNS

Report:

- 5. Four of the nine electives addressed contain international or global terms in the course titles. The authors of the proposed curriculum are requested to address titles and/or content of these proposed courses to assure better balance among the elective offerings or offer a more compelling rationale for the present mix.**

Response:

The College of Business is following the lead of AACSB-International, the accrediting body for business programs, which supports inclusion of globalization issues in business school curricula. The College has a standing committee on globalization and is moving to integrate international business concepts into the curriculum in as many areas as possible. Several faculty have expertise in International Business and Economics; grants have been awarded to SUBR to internationalize its curriculum. Business today is global and students must be prepared to be successful in the global realities of the business world.

Report:

- 6. There is a need for clarification about the six hours of business research required in the proposed MBA curriculum before approving this proposal. This clarification should include what are the educational objectives of these six hours of credit and how SUBR intends to staff these six hours of the curriculum. It is critical to clarify how the MBA faculty is expected to assume responsibility for this course coverage. If the proposed MBA faculty is expected to oversee these credits, then the limit of nine credit hours of imposed by SUBR on graduate faculty will be clearly violated. Further, it would be helpful to include what evaluation criteria would be used to assess these six credit hours.**

Response:

The faculty decided on November 22, 2005, to eliminate the six hours of research from the curriculum, since an MBA is a professional degree. This was discussed with the Dean of the Graduate School, who concurred with the faculty decision.

Report:

- 7. The proposal needs to demonstrate how full-time students in the proposed MBA program will matriculate given the need for prerequisites and the proposed offering sequence.**

Response:

A full-time student schedule was provided in Appendix A Table 3A in the revised proposal submitted to the ERC. A student would take nine hours in the first fall semester, nine hours in the first spring semester, twelve hours in the second fall and nine hours in the second spring semesters respectively. If a student lacks prerequisites, it will obviously take longer. Based upon the need for electives, a student could spend three years in the program or an additional semester and a summer depending on when he or she entered the program. Those students with business backgrounds which satisfy prerequisites can graduate from the program in two years. Core courses and at least one elective will be offered each semester.

Report:

- 8. The MBA electives fall short of offering a typical menu of general MBA electives. Some comment regarding why the authors of the proposal feel their general MBA achieves its stated objectives in spite of the omission of more conventional course offerings (e.g., consumer behavior, human resource management and financial derivatives) should be required.**

Response:

SUBR was required to develop an MBA program that is unique, but is now being compared to other programs. Resources have been developed in the areas of E-Business & Supply Chain Management, Small Business Management & Entrepreneurship and International Business & Trade. The curriculum provided in the proposal is intended to prepare students for the future. Core courses covering traditional topics will be offered; electives, representing areas of faculty expertise, will determine the uniqueness of the program.

The institution reports collaboration with the 3M Corporation to develop a professional sales component, another niche within its MBA program. SUBR would like to expand courses offered in professional sales concentration at the undergraduate-level to graduate-level electives which could receive corporate support.

Report:

- 9. Some discussion about the intent of the comprehensive exam in the proposed program needs to be incorporated addressing such topics as – the role of the exam in determining student matriculation, how it is to be created, how it is to be administered and graded, to name but a few -- should be required.**

Response:

The Graduate School at SUBR requires all graduate programs to have a comprehensive exam. However, the academic unit providing the program determines the methodology for satisfying the requirement. The MBA curriculum includes a capstone course in which students will be assigned a business project to complete and present to the class. The College of Business and the Graduate School have agreed that the project presentation and evaluation will serve as the comprehensive examination for the program. Projects will draw upon all functional areas of business and will

serve as an assessment of the learning goals for the program. Once the MBA program is approved, SUBR will develop a learning assessment plan for the projects which will be reviewed by the College's Learning Assessment Committee.

Report:

- 10. The College of Business at SUBR needs to demonstrate in the proposal how it intends to link its alliances with international entities and its international business and trade concentration in the proposal. The reader of the proposal is presumably to draw these connections, which are not directly spelled out.**

Response:

SUBR reports numerous programs and activities in the area of international business and trade.

- SUBR, Grambling and Southern University in New Orleans have developed a partnership program with the State Engineering University of Armenia. A Fulbright Scholar taught economics in SUBR's program, provided seminars to faculty and students and participated with SUBR faculty at the Entrepreneurship Program at Babson College in the summer of 2005.
- Eight students and two faculty were recently sent to live with host families in Mexico for three weeks as part of the U.S. Department of Education Title VI-B project in Mexico. Additionally, the SUBR College of Business hosted ten Mexican students from the Universidad del Vale de Orizaba, Mexico, during the summer 2005.
- SUBR has sought assistance from university and non-university sources to sponsor additional students for study abroad. The College of Business works with the foreign languages department to participate with their students in study abroad programs.
- Travel opportunities were provided for two students to travel to the University of the Virgin Islands to participate in the Summer Institute for Future Global Leaders in the Caribbean. This institute provides a two-week intensive training program on leadership.
- In a project with Makerere University Business School in Kampala, Uganda, six SUBR faculty were sent to Uganda and at least six faculty from Uganda were hosted in Louisiana. In April of 2005, SUBR sponsored Uganda Day at the World Trade Center in New Orleans. Participants included a team of faculty and business people from Uganda, approximately fifty Southern University students, business people and the Ugandan Ambassador to the United States. A copy of the program for Uganda Day was included in the response.
- SUBR also participates in the "Globalizing HBCU Business Schools Initiative" sponsored by the University of Memphis, Wang Center for International Business and Education and Research (CIBER), the Institute of International Public Policy (IIPP) and Michigan State University CIBER to promote the internationalization of business education on the campuses of Historically Black Colleges and Universities. This is a three-year program

composed of Grant Writing Workshop, Business Foreign Language workshops, globalization seminars, area study program and a two-week study abroad program. Several faculty of the College and the Department of Foreign Languages have attended these programs. In August 2005, two faculty participated in a two-week study abroad program in South Africa and Botswana.

Report

- 11. Does SUBR intend to address a cross-functional perspective in the curriculum? This point is often noted as a desirable outcome of MBA programs by the AACSB. Somewhere in the proposal this issue needs to be addressed.**

Response:

Cross Functional perspectives are included in the capstone course, Business Strategic Decision Making (MGMT 592), in Information Systems & Enterprise Resource Planning (MGMT 505) and will be emphasized in the learning assessment plan and curriculum alignment.

FACULTY RESOURCES

Report:

- 12. The proposal should reflect a commitment to hire the MBA director prior to program implementation to assure attention to activities such as student recruiting and advising, program design, and scheduling to name but a few. Further, the position of administrative assistant to the director needs to be addressed to provide the MBA director sufficient time to dedicate to program administrative issues.**

Response:

Advertisement for the position of the director has already appeared in the Chronicle of Higher Education (October, 2005) and in other publications. [Staff Note: A copy of the advertisement was included in the institution's response.]

Report:

- 13. There appears to be a need for at least two additional academically qualified faculty in Accountancy. Further, while the proposal calls for three new faculty in total, four would be a more adequate number considering the need for release time, enhanced research productivity and the coverage of the six hours of business research in the proposed curriculum.**

Response:

Copies of advertisements for seven faculty members in the College of Business were provided, including an Eminent Scholar's Chair in Small & Minority Business Enterprise. Three of the positions are in accounting, including a director for the accounting program. All positions are for

Fall 2006; new faculty will be academically qualified with doctoral degrees and research publications.

Report:

- 14. [The proposal must address faculty training in use of SAP] . This is imperative given the proposal's focus on the differential advantage of SUBR in its SAP alliance. Without proper training, the availability of the software is of little consequence.**

Response:

As a benefit of joining the SAP University Alliance Program, [SUBR] is able to attend all meetings at reduced cost, but must pay for travel costs. LSU A&M is the regional site for SAP in the Southeast. Faculty have gone to LSU each year in January to participate in the training programs; thus, they all can go to one regional meeting each year at no cost. Dr. Ed Watson at LSU, the former Director of the SAP University Alliance program, has provided seminars to SUBR's faculty. Additionally, Dr. Jose Noguera, the leader of the SAP program at Southern University, has attended the training programs at LSU. He is a former student of Dr. Watson, and they are currently doing research together.

The institution states its commitment to the SAP project in the E-Business program. In the past it has funded travel from the Center for Information Technology and Innovation and from funds generated by the College. SUBR indicates that it has been seeking grants to help with travel and have part of the cost of SAP training in our Title III budget at \$8,000 and that it will provide travel funding for this effort in our Title III budget for next year and from other sources for the remaining portion of this year.

FACILITIES AND EQUIPMENT NEEDS

Report:

- 15. The proposal needs to demonstrate a commitment to open the computer labs during the evening to accommodate student demand.**

Response:

The labs will be open for the MBA student use on an as needed basis including weekends. SUBR currently has four graduate students in the college to help with information technology issues; these students will be assigned to the MBA program once it is approved.

Report:

- 16. The amount of and access to archival data bases, while adequate to initiate the proposed MBA program, over time needs to be enhanced thereby supporting instruction and research in accounting, finance, and business strategy. The proposal should spell out a commitment to this enhancement and a schedule as to when this is to take place.**

Response:

The need for greater access to archival databases will be reviewed. As indicated in the revised proposal, \$15,00 per year is spent for access to Bloomberg's Financial Database, which has proven adequate for the current faculty. Some present faculty have access to databases at other institutions. As new faculty is hired, their research needs will be evaluated.

BUDGETARY MATTERS

Report:

- 17. The program budget needs to add a line item for program promotion and placement as well as SAP training support.**

Response:

This item can be accommodated in the submitted budget (beginning in the second year of the program), which has \$15,000 for faculty development (SAP and research) and \$15,000 for travel, which is for the director for developing the MBA program administrative needs.

Staff Comment:

A copy of the budget from the revised proposal is appended.

OTHER CONCERNS

Report:

- 18. The goals of the proposed MBA program need to be articulated in the form of specific measurable objectives. Metrics used to measure these objectives need to be advanced to assure tracking and reporting procedures. A formal schedule of the collecting of these metrics and their reporting to key constituencies (which needs to be identified) also needs to be part of the formal proposal.**

Response:

The College of Business has a Learning Assessment Committee that is in the process of developing the learning goals, objectives, metrics (measuring tools), and curriculum alignment that are needed to assure that students achieve the level of learning identified as goals. While the MBA program is not presently operating, SUBR shared some of the information utilized at the undergraduate level. The institution cited the activities which follow.

- At least seven faculty members have been sent to AACSB-International Workshops and Seminars on Assessment of Learning.
- Speakers have been invited from LSU, SUBR Nursing Program, and in-house programs have been organized as well in order to assist the COB in developing appropriate

- assessment of learning metrics for the MBA Program.
- In January 2006, a two-day workshop is scheduled featuring the Assurance of Learning Expert that AACSB uses for conducting Assurance of Learning Workshops.
- The Learning Assessment Plan for the Department of Economics and Finance in the College of Business was provided as an example of what will be developed for the MBA program.

Report:

- 19. The program should have an advisory board of key business leaders to assist in curriculum design/assessment and in securing critical business partnerships essential to this program's success. A time line, proposed board mix and intended purpose of such a board should be included in the proposal.**

Response:

The institution provided information pertinent to its development of an Advisory Board for the MBA program. SUBR reports that Advisory Board establishment is "on hold" until the program is approved by the Board of Regents, as it is very difficult to develop a board for a program that is constantly under revision and critical review. SUBR included:

- a copy of a letter to potential Advisory Board members
- a mission statement and list of goals of the Advisory Board for the MBA program
- a list of deliverables by SUBR for development of an Advisory Board for the MBA program

STAFF ANALYSIS

In order of appearance in the summary, staff observations regarding the adequacy of SUBR's response to concerns and recommendations of the ERC follow.

1. Minimum GMAT Score for Admissions

In order for a program which will merit national recognition to develop, an acceptable minimum GMAT score and a formal statement of criteria for admissions must be in place and available for all students considering entering the program. Accordingly, the University must respond with a chart which outlines all factors which will be used in making admissions decisions. It is strongly suggested that at a minimum a 3.25 undergraduate GPA and 400 GMAT score be the midpoint benchmark with a sliding scale above and below. Further, the staff cautions that admission decisions should be consistent with resources currently available, not to exceed AACSB maximums for faculty loads.

2. Probation Policy

The College of Business must develop an academic probation policy, with consequences that can be administered uniformly and a mechanism for distribution of this policy to all students admitted into the MBA program.

3. Proposed Matriculation Rates

As justification of need for this program is not required, the staff grants that the projected low and moderate student enrollment figures as well as their matriculation rates are reasonable.

4. Placement Service

Formal plans for graduate student placement services must be developed and funding for these services delineated. This is not an immediate issue, but one that should be resolved well in advance of the first graduate.

5. Titles of Elective Courses

The staff observes that the College of Business at SUBR is addressing course development and course titles consistent with guidelines of the AACSB-International, the programmatic accrediting agency for all four year programs in business. The staff trusts that AACSB assessment of the MBA curricula, once implemented, will result in any necessary changes.

6. Six Hours of Business Research

The faculty of the College of Business has eliminated this requirement. This is academically appropriate for a professional degree.

7. Schedule of Course Offerings for Timely Matriculation

The staff concludes that SUBR fully understands the consultants' concern in this regard, but care should be taken that faculty workloads are not stretched to effect needed coursework for graduation. Careful planning should occur and the schedule of course rotations revised accordingly as additional faculty resources become available.

8. MBA Elective Courses

SUBR has responded adequately in this area. As the graduate faculty numbers are increased, it is expected that the University will expand its elective courses appropriately.

9. Concerns Regarding the Format/Content of the Comprehensive Exam

By determining that the capstone project and its presentation will satisfy the Graduate School's requirement for a comprehensive examination, the College of Business has clearly identified the nature of the exam. However, formal instructions, the exact mode of and schedule for its administration and evaluation, and the role of this exam in student matriculation toward degree must be developed and provided in written format to any student admitted to the program.

10. Linkage of International Alliances to MBA program

The linkage between SUBR's alliances with international entities and its international business and trade concentration must be delineated so that students in that concentration are aware upon entry

into the program of unique curricular requirements.

11. Cross-functional Perspective of Curriculum

SUBR has indicated that several courses have cross-functional roles which will be emphasized in the learning assessment plan and curricular alignment. The staff advises that identifying these components will facilitate AACSB evaluation of the MBA curriculum.

12. Need for a Program Director and Administrative Assistance

The staff believes it to be imperative that the Program Director be on-campus and in control of the program by no later than Fall 2006; appointment of an Interim Director should occur immediately. Once the Program Director is on board, he/she should be granted authorization to advertise for and fill the position of Administrative Assistant.

13. Need for Additional Faculty

The University's plan for faculty recruitment should be revised and advertisements changed to reflect consultants' recommendations. By Fall 2006, one Accounting position should be filled; by Spring 2007, one other faculty position should be filled; by Fall 2007 the remaining Accounting position and the final undesignated faculty position should be filled. Further direction from AACSB as to the number and subject areas of needed faculty may alter this plan somewhat.

14. Faculty SAP Training

A formal plan must be developed and executed for training faculty in SAP. It would benefit incoming students if the current faculty had SAP training by the beginning of AY 2006-07.

15. Graduate Student Access to Computer Labs

By program implementation, the University should provide a schedule of computer lab availability for graduate student use during evenings and weekends.

16. Access to Additional Archival Databases

SUBR has indicated that it perceives access to archival databases adequate for implementation of the MBA program. The staff encourages the institution to explore opportunities to alternate sources, if needed by students, at other universities or businesses to minimize use of funds for rarely used sources. The institution has stated that it will continually assess need in this area.

17. Line Items in Budget for SAP Training, Program Promotion and Placement Services

The proposed budget needs to be reworked completely to be consistent with consultant recommendations and realities of the marketplace for new faculty. The University should be directed to work with the Deputy Commissioner of Finance and Administration to construct an appropriate multi-year financial plan, including all sources of revenue (state funding, tuition revenues, etc.) and anticipated expenditures.

18. MBA Advisory Board

The staff deems it imperative that an Advisory Board should participate in the selection of an MBA program director. The Board should not be restricted to alumni and must include representatives of local industry if it is to function in a truly advisory capacity. A proposed board mix and schedule of activities should be developed at the earliest possible date.

Given these concerns and the need to implement this program as soon as possible, the staff recommendation below suggests conditional approval with stipulations.

STAFF RECOMMENDATION

The staff recommends that the Academic and Student Affairs Committee grant conditional approval for the Master of Business Administration (CIP Code 52.0201) at Southern University and A&M College, effective immediately, but subject to stipulations as indicated below.

- 1. By March 1, 2006, a Progress Report demonstrating resolution of outstanding concerns listed below shall be due to the Commissioner of Higher Education:***
 - a. Development of admission criteria consistent with observations in the staff summary;***
 - b. Revision of the academic probation policy and mechanism for its distribution to students admitted into the program;***
 - c. Development of a schedule, instructions and uniform assessment tools for evaluating the capstone project as the comprehensive examination and an explanation of its role in student matriculation;***
 - d. Establishment of any unique academic requirements for students concentrating in the International Business and Trade;***
 - e. Development of a schedule for faculty SAP training;***
 - f. Establishment of a schedule for graduate student access to computer labs after class hours;***
 - g. Development of a revised budget reflecting line items for SAP training, program promotion and student placement services, as well as realistic salaries for AACSB credentialed faculty. This budget shall be developed and approved consistent with staff observations in the previous section; and***

- h. Identification of members and a proposed schedule for topics/activities of the MBA Advisory Board.*
- 2. Additionally, by August 1, 2006, a Progress Report demonstrating resolution of outstanding concerns listed below shall be due to the Commissioner of Higher Education:*
 - a. Evidence of hiring of a full-time permanent program director, administrative assistant and one full-time faculty in accountancy for Fall 2006; and*
 - b. Evidence of placement services for MBA graduates; funding for this service must be delineated.*
- 3. Additionally, by August 1, 2007, a Progress Report demonstrating resolution of outstanding concerns listed below shall be due to the Commissioner of Higher Education:*
 - a. Evidence of hiring of a second full-time faculty in accountancy and plans for the advertisement and employment of two additional full-time graduate faculty during AY 2007-08; and*
 - b. Because SUBR's College of Business is scheduled for re-accreditation by AACSB during 2007, a copy of any communication from AACSB pertinent to the MBA program should be included in the report*
- 4. Based upon information provided in the required Progress Reports, subsequent additional reports addressing any continuing unresolved ERC concerns may be required. Because of the importance of the development of a Master of Business Administration program of high quality at Southern University and A&M College, additional consultation with external consultants may be needed.*